

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, EXTENDING THE EXISTING WAIVER ON COLLECTION OF CITY IMPACT FEES UP TO A SPECIFIED AMOUNT PER PROJECT, UNTIL SEPTEMBER 30, 2013; SETTING FORTH LEGISLATIVE FINDINGS, CONTINUING THE SUSPENSION OF COLLECTION OF WATER, WASTEWATER, AND MUNICIPAL SERVICES IMPACT FEES FOR THE PERIOD FROM EXPIRATION OF THE PREVIOUS ORDINANCE SUSPENDING COLLECTION, UNTIL SEPTEMBER 30, 2013; ESTABLISHING A MAXIMUM AMOUNT OF IMPACT FEES WHICH MAY BE WAIVED ON ANY SINGLE PROJECT, LIMITING THE WAIVER OF IMPACT FEES UNDER THIS ORDINANCE TO PROJECTS CONSTRUCTED WITHIN THE MUNICIPAL LIMITS OF THE CITY OF LEESBURG, PROVIDING FOR REINSTATEMENT OF IMPACT FEES COMMENCING OCTOBER 1, 2013, REQUIRING PAYMENT OF IMPACT FEES SUSPENDED BY THIS ORDINANCE IF A CERTIFICATE OF OCCUPANCY FOR THE PROJECT IS NOT ISSUED WITHIN EIGHTEEN MONTHS OF ISSUANCE OF A BUILDING PERMIT FOR THE PROJECT, PERMITTING NEGOTIATION OF IMPACT FEES ON CERTAIN PROJECTS AS PART OF AN OVERALL ECONOMIC INCENTIVE PACKAGE, PROVIDING A SAVINGS CLAUSE, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Leesburg has been collecting impact fees on all new residential, commercial and industrial development within its boundaries, for water, wastewater, and municipal services – including police services, fire and rescue services, and recreation services, and

WHEREAS, impact fees are a vital part of the City's efforts to plan and pay for municipal services required by new development, and have been utilized successfully for those purposes, and

WHEREAS, beginning in 2008 the City of Leesburg, along with the rest of the United States of America, experienced a serious economic downturn which has resulted in numerous deleterious consequences including the closing of businesses, a precipitous decline in all categories of construction, severely high unemployment, and a crippling decline in ad valorem tax revenues, and

WHEREAS, the City Commission wishes to take steps intended to attract commercial, industrial and residential development to the City of Leesburg, and to encourage economic growth

in the area, as well as to add value to the ad valorem tax rolls within the City in order to increase the revenue available for the provision of ongoing municipal services, and

WHEREAS, the City Commission has determined that during this economic downturn, the cost of impact fees can be a deterrent to new construction and development, and

WHEREAS, the City Commission believes a temporary suspension of impact fees will encourage new construction and development within the City and assist in overall economic development efforts, and

WHEREAS, the City Commission further finds that economic conditions are improving, and the failure to collect impact fees since this waiver was first enacted is beginning to have deleterious effects on the City's budget and its ability to fund capital projects, such that it is appropriate to set a date on which this waiver of impact fees will terminate, and

WHEREAS, as part of its effort to attract industry and create jobs, the City of Leesburg needs the ability to offer economic incentive programs to developers under appropriate circumstances, and as part of any such economic incentive package needs the ability to negotiate the amount, and manner of payment, of impact fees,

**NOW THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE
CITY OF LEESBURG, FLORIDA:**

SECTION I.

Until September 30, 2013, the City of Leesburg waives collection of any impact fees imposed under its Code of Ordinances, including but not limited to the Water System Capacity Impact Fee under §22 – 324, the Wastewater System Capacity Impact Fee under §22 – 325, and the Municipal Services Impact fees for police services, fire and rescue services, and recreation services, under §§7 – 251 and 7 – 252, up to the maximum amount specified in Section II below. Commencing October 1, 2013, this waiver shall terminate and the City shall commence collecting all impact fees due under its ordinances, on any project for which impact fees would otherwise have been levied but for this waiver. This waiver shall apply only to projects constructed within City limits of the City of Leesburg.

SECTION II.

In no case shall the total impact fees waived under this Ordinance for any single project exceed \$100,000.00. If the total impact fees due on a single project are in excess of \$100,000.00 then the developer of the project shall be required to pay the amount of impact fees which exceeds \$100,000.00 and the amount paid will be allocated among the Water, Wastewater and Municipal Services impact fee categories, ratably according to the percentage of the total impact fees which would have been paid on the project but for the suspension created by this Ordinance. For the purposes of this Section II the term “project” shall mean: (i) any commercial or industrial building or group of commercial or industrial buildings on the same parcel of real property or on contiguous parcels of real property under common ownership or owned by more than one entity when the two

or more entity owners have common equity owners; or (ii) any residential development on a single parcel of real property or within a single platted subdivision, or within multiple, contiguous parcels of real property or multiple subdivisions under common ownership or owned by more than one entity when the two or more entity owners have common equity owners.

SECTION III.

To take advantage of the waiver of impact fees created by this Ordinance, construction must substantially commence on the development or project for which a permit was obtained, within 90 days from the date the permit is issued, and be prosecuted diligently to completion, with substantial completion to be no more than eighteen months after issuance of the building permit. If the project is not issued a certificate of occupancy within eighteen months after issuance of the building permit, the developer shall be required to remit the impact fees in full as a condition of issuance of the certificate of occupancy. For projects requiring multiple certificates of occupancy, if the entire project is not completed within eighteen months of permit issuance, certificates of occupancy for those portions completed within the eighteen months shall be valid but no further certificates of occupancy will be issued after expiration of the eighteen months until all impact fees attributable to the remaining portions of the project are paid in full.

SECTION IV.

On September 30, 2013, at midnight, this Ordinance shall expire and the impact fees payable in accordance with the City Code shall be due and collectible on all developments and projects to which they apply by law, as of October 1, 2013.

SECTION V.

§2 – 246 of the Code of Ordinances of the City of Leesburg, Florida, is hereby created to read as set forth below:

Sec. 2 – 246. Impact Fee Incentive.

For any industry or business which meets the criteria specified in §- 245 of this Code, and in furtherance of the authorization in §7 – 255 of this Code to utilize impact fees as an economic incentive, in addition to those economic incentives provided under §2 – 245, and those ad valorem tax incentives available under the referendum passed pursuant to Art. VII, §3 of the Florida Constitution, the City may negotiate issues concerning impact fees due from an eligible industry or business. Those negotiations may include a reduction in the amount to be paid, complete elimination of one or more categories of impact fees on an eligible project, or arrangements for payment of impact fees over a period of time under terms which may differ from the requirements imposed by §7 – 257 of this Code for the financing of impact fees. Impact fees may be negotiated under this Section only as part of a more comprehensive economic incentive package, not as a stand alone incentive.

SECTION IV.

If any portion of this Ordinance is declared invalid or unenforceable, and to the extent that it is possible to do so without destroying the overall intent and effect of this Ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of the ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION VI.

This Ordinance shall become effective upon its passage and adoption according to law, and shall remain in effect for one year after it is adopted on second reading.

PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the _____ day of _____, 2013.

THE CITY OF LEESBURG, FLORIDA

BY: _____
MAYOR

Attest: _____
CITY CLERK